

QUALITY BEVERAGES LIMITED

PUBLIC ANNOUNCEMENT

The Board of Directors of Quality Beverages Limited (“QBL”) wishes to inform the public in general that, subject to regulatory approvals, QBL intends to make a voluntary all-cash offer to the shareholders of Soap & Allied Industries Limited (“SAIL”) to acquire all ordinary shares (4,495,008) issued by SAIL at a price of MUR17.20 per share (the “Voluntary Offer”).

As QBL does not currently own shares issued by SAIL, pursuant to Rule 31 of the Securities (Takeover) Rules 2010 (“Takeover Rules”), the Voluntary Offer shall be conditional upon QBL having received (i) the required regulatory approvals, (ii) acceptances representing at least 50% of voting rights of SAIL, and (iii) confirmation of the approval of the bankers of SAIL in respect of the Voluntary Offer for all the Voting Shares of SAIL.

Pursuant to Rule 9 of the Takeover Rules, the Board of QBL has today communicated to the Board of SAIL its firm intention to make the conditional Voluntary Offer to acquire all ordinary shares issued by SAIL.

The Voluntary Offer price per share of MUR17.20 has been determined in accordance with Rule 14 (2)(c) of the Takeover Rules, being the average of the weekly high and low of the closing prices of SAIL during the last 6 months of MUR13.68 as at the date of this announcement plus a premium of MUR3.52. The Voluntary Offer price also represents a 22.86% premium to the closing price of SAIL on 15 September 2023.

The Board of QBL confirms that:

- i. sufficient financial resources are available to QBL to fund the Voluntary Offer;
- ii. there exists no agreement between QBL and SAIL in relation to the SAIL shares;
- iii. subject to regulatory approvals, the conditional Voluntary Offer is expected to open on 30 October 2023 and close on 04 December 2023 (“Offer Close Date”). The Voluntary Offer will:
 - a. either become unconditional upon the receipt of acceptances representing at least 50% shareholding and confirmation of the receipt, or waiver (partial or otherwise), of the approval from the bankers of SAIL in respect of the Voluntary Offer for all the Voting Shares of SAIL; or
 - b. lapse 14 days before the Offer Close Date if the above conditions are not fulfilled or waived.

This acquisition does not qualify as a major transaction as defined under Section 130(2) of the Companies Act 2001. The transaction may however be a significant and related party transaction under the rules for Development & Enterprise Market companies (“DEM Rules”) of Stock Exchange of Mauritius, depending on the acceptances of the Voluntary Offer. The maximum consideration in respect of the Voluntary Offer will be MUR77,314,138, excluding transaction costs.

The public is hereby informed that QBL shall be making the conditional Voluntary Offer to the shareholders of SAIL as soon as practicable. The shareholders and the investing public are advised to exercise caution when dealing in the shares of SAIL and QBL and will be kept informed of further developments in respect of the Voluntary Offer.

PricewaterhouseCoopers Ltd is acting as Transaction Advisor for the Voluntary Offer.

By order of the board
Ramanuj Nathoo
For Currimjee Secretaries Limited
Company Secretary

18 September 2023

This public announcement has been issued pursuant to DEM Rule 11 and Rule 12 (1)(d) of the Securities (Takeover) Rules 2010. The Board of QBL accepts full responsibility for the accuracy of the information contained in this public announcement.